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Schedule A - Cigarettes and Little Cigars (In-State)*(Out-of-state wholesalers **skip** Schedule A and begin on Schedule B)

	20s (Cigarettes)	20s (Little Cigars)
1. Unstamped packs on hand at beginning of period.....	1a. _____	1b. _____
2. Total of unstamped packs purchased during period.....	2a. _____	2b. _____
3. Unstamped packs sold outside Tennessee.....	3a. _____	3b. _____
4. Unstamped packs returned to manufacturer.....	4a. _____	4b. _____
5. Unstamped packs sold to exempt agencies in Tennessee/authorized agents.....	5a. _____	5b. _____
6. Unstamped packs on hand at end of period.....	6a. _____	6b. _____
7. Add lines 1 and 2; subtract lines 3, 4, 5 and 6.....	7a. _____	7b. _____
8. Multiply Lines 7a and 7b by .62. Enter here and on Line 1 on the front of return	8a. _____	8b. _____

Schedule B - Cigarettes and Little Cigars (Out-of-State)*(In-state wholesalers: **skip** Schedule B and move to Schedule C)

	20s (Cigarettes)	20s (Little Cigars)
1. Unstamped packs sold to exempt agencies in Tennessee.....	1a. _____	1b. _____
2. Unstamped packs sold to wholesalers in Tennessee.....	2a. _____	2b. _____
3. Tennessee stamped packs on hand at end of period.....	3a. _____	3b. _____
4. Authorized adjustments.....	4a. _____	4b. _____
5. Tennessee stamped packs on hand at beginning period.....	5a. _____	5b. _____
6. Subtract Lines 4 and 5 from Line 3.....	6a. _____	6b. _____
7. Tennessee stamped packs sold into Tennessee.....	7a. _____	7b. _____
8. Add Lines 6 and 7.....	8a. _____	8b. _____
9. Multiply Lines 8a and 8b by .62. Enter here and on Line 1 on the front of return.....	9a. _____	9b. _____

Schedule C - Stamps Used

1. Number of Tennessee stamps on hand at beginning of period.....	1. _____
2. Number of Tennessee stamps purchased during period.....	2. _____
3. Number of Tennessee stamps on hand at end of period.....	3. _____
4. Authorized stamp adjustments.....	4. _____
5. Add Lines 1 and 2; subtract Lines 3 and 4.....	5. _____
6. Multiply Line 5 by .62. Enter here and on Line 2 on the front of the return.....	6. _____

Schedule D - Other Tobacco Products (OTP)*(Out-of-state wholesalers: **skip** Lines 1 through 4 and begin on Line 5)

	OTP	RYO
1. Enter wholesale cost of Other Tobacco Products (OTP) and/or Roll Your Own (RYO) purchased.....	1a. _____	1b. _____
2. Enter wholesale cost of smokeless tobacco given away as promotions.....	2a. _____	2b. 0.00
3. Enter wholesale cost of (OTP) and/or (RYO) sold outside Tennessee.....	3a. _____	3b. _____
4. Enter exempt sales of (OTP) and/or (RYO) (military & other wholesalers).....	4a. _____	4b. _____
5. Subtract cost of Lines 3 and 4 from total of Lines 1 and 2 (out-of-state wholesalers enter wholesale cost of products sold to Tennessee customers).....	5a. _____	5b. _____
6. Authorized adjustments.....	6a. _____	6b. _____
7. Subtract Line 6 from Line 5.....	7a. _____	7b. _____
8. Add Lines 7a and 7b.....	8. _____	8. _____
9. Multiply Line 8 by .066. Enter here and on Line 4 on the front of the return.....	9. _____	9. _____

Schedule E - RYO Machines

1. Enter the number of RYO cigarettes sold.....	1. _____
2. Calculate the cigarette tax due (multiply the number of cigarettes reported on Line 1 x (0.031)).....	2. _____
3. Enter the amount of OTP and/or RYO tax paid on the tobacco used to produce the cigarettes reported on Line 1, Schedule D...	3. _____
4. Subtract Line 3 from Line 2. Enter here and on Line 5 on the front of the return.....	4. _____

Supplemental Schedule E-1 - RYO Machines

Cigarette rolling machine operators must enter the brand names of loose tobacco used to roll cigarettes in all cigarette rolling machines and the number of ounces of each brand used during the reporting period.

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TENNESSEE DEPARTMENT OF REVENUE
INSTRUCTIONS FOR COMPLETING MONTHLY TENNESSEE TOBACCO PRODUCTS RETURN

All persons making wholesale sales of cigarettes and other tobacco products in Tennessee must be licensed and report their tobacco products activities on this tax return.

Cigarette rolling machine operators must be licensed. They must report cigarettes rolled in such machines and compute the tax due on Schedule E, and they must report the brand names of the loose tobacco used in cigarette rolling machines and the ounces of each brand on Schedule E1.

Every wholesaler or distributor shall permit the Commissioner or authorized agent or representative to inspect at any time all tobacco products, invoices, books, papers, and memoranda including the general accounting records, in ascertaining whether or not the proper tax has been paid.

Tobacco Tax Rates: Packs of 20 sticks or less of Cigarettes and/or Little Cigars = **\$0.62** per pack.
 Roll-Your-Own (RYO) and/or Other Tobacco Products (OTP) - **6.6%** of wholesale cost.

Due Date: The return is due to be filed on or before the 15th day of the month following the filing period regardless of whether or not any transactions have occurred.

Amended Return: If this is an amended return, please indicate "Filing Period" and check the appropriate box on the front of the return.

Final Return: If this is a final return for a closed business, please indicate "Filing Period" and check the appropriate box on the front of the return.

Penalty: If the return is filed and/or the tax is paid after the due date, penalty charges will be assessed. The penalty rate is 5% of the tax due for each 30-day period or portion of a 30-day period the return and/or payment are delinquent. The maximum penalty amount is 25% of the tax due; the minimum penalty is \$15.

Interest: If the tax is paid after the due date, interest charges will accrue on the unpaid balance. Interest is calculated using the formula: (Amount of tax due on Line 9) x (current interest rate) x (number of calendar days delinquent) divided by (365.25).

Schedule A: In-State Any Tennessee licensed wholesale dealer, distributor, or jobber domiciled within Tennessee must complete Schedule A. If your business is domiciled outside the state of Tennessee, you should not complete Schedule A. Do not include any Tennessee packs that were purchased with stamps already affixed and/or packs that were stamped prior to this filing period; this includes returned stamped packs from customer sales that are intended for resale.

Lines 1 - 4, 6, 8: Complete as stated in section if applicable.

Line 5: Enter the total number of unstamped packs sold to exempt agencies in Tennessee and/or authorized adjustments. Unstamped sales to exempt agencies (armed forces installations and Veterans Administration hospitals) must be authorized by the Commissioner of Revenue. Authorized adjustments include unstamped returns to vendors and/or unstamped returns from customers.

Line 7: Add Lines 1 and 2, then subtract Lines 3, 4, 5, and 6, and enter the calculated number of unstamped packs - this is the total number of unstamped packs on which Tennessee tobacco tax stamps were affixed during the period.

Schedule B: Out-of-State Any Tennessee licensed wholesale dealer, distributor, or jobber domiciled outside Tennessee must complete Schedule B. If your business is domiciled within the state of Tennessee, you should not complete Schedule B.

Lines 1 - 3, 5, 7, 9: Complete as stated in section if applicable.

Line 4: Enter any authorized adjustments made during the period - this includes cigarette and/or little cigars pack returns from customer sales that are intended for resale and/or purchases of cigarette and/or little cigar packs with Tennessee tobacco tax stamps already affixed at the time of purchase.

Line 6: Subtract the sum of Lines 4 and 5 from Line 3 - this amount may be a positive or negative number.

Line 8: Add Lines 6 and 7 - this is the total number of unstamped packs on which Tennessee tobacco tax stamps were affixed during the period.

Schedule C: Stamps Used Do **not** report inventory of already affixed Tennessee stamps.

Lines 1 - 3, 6: Complete as stated in section if applicable.

Line 4: Enter any authorized adjustments made during the period - this includes approved refunds for unused stamps that have been returned to the Tennessee Department of Revenue.

Line 5: Subtract Lines 3 and 4 from the sum of Lines 1 and 2 - this is the number of stamps that were affixed to cigarette and/or little cigar packs during the period.

**Schedule D:
Other Tobacco
Products**

Line 1: Enter wholesale cost of RYO, big cigars, snuff, and/or any OTP during the period covered by the return, whether sold or not. Do not include cigarettes or little cigars.

Lines 2, 3, 5, 7, 9: Complete as stated in section if applicable. Note that for Line 2, RYO cannot legally be given away.

Line 4: Enter the total of exempt sales of RYO and/or OTP made to military and other wholesalers - this includes sales of tobacco products on which Tennessee tobacco tax has not been paid and which were sold to other Tennessee tax affixing agents, armed forces installations, and Veterans Administration hospitals.

Line 6: Enter adjustments authorized by the Commissioner of Revenue.

**Schedule E:
RYO Machines**

Lines 1 - 4: Complete as stated in section if applicable.

For additional information, please contact the Miscellaneous Tax Unit of the Taxpayer Services Division at (615) 253-0600 or (844) 430-7678. More information is also available on our website at www.tn.gov/revenue, where you can search for answers using the convenient **Revenue Help** feature or submit a specific question to receive a direct response by e-mail.